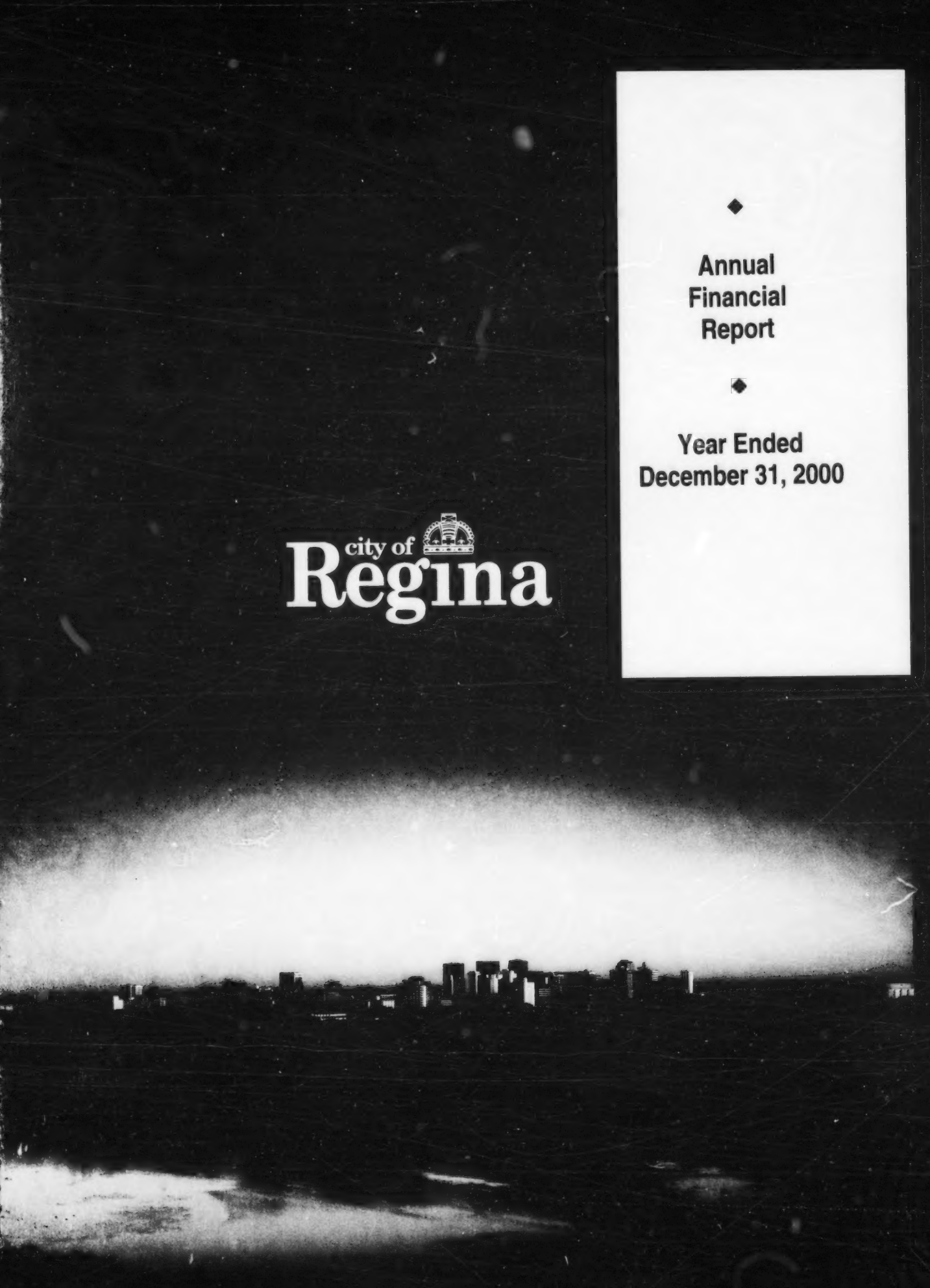


Annual Financial Report

Year Ended December 31, 2000

City of Regina

SASKATCHEWAN, CANADA

Annual Financial Report

Year Ended December 31, 2000

Canadian Award for Financial Reporting

Presented to

City of Regina, Saskatchewan

For its Annual
Financial Report
for the Year Ended
December 31, 1999

A Canadian Award for Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to municipalities whose annual financial reports achieve the high program standards for Canadian Government accounting and financial reporting.

Anne Spray Kinney
President

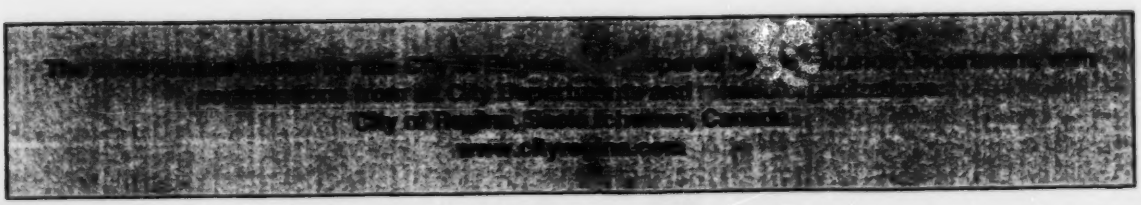
Jeffrey L. Esser
Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Canadian Award for Financial Reporting to the Corporation of the City of Regina for its annual financial report for the fiscal year ending December 31, 1999. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish high quality financial reports and provide peer recognition and technical guidance for officials preparing these reports.

In order to receive the Canadian Award for Financial Reporting, a municipal government must publish an easily readable and efficiently organized annual financial report. The contents of the report must conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs.

A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to GFOA.

This is the eighth time the City of Regina has received an award for its Annual Financial Report.



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CITY OF REGINA

June 18, 2001

His Worship the Mayor and Members of City Council:

I am pleased to submit the City of Regina's Annual Financial Report for the year ended December 31, 2000. The Annual Financial Report is submitted pursuant to Section 73 of *The Urban Municipality Act, 1984*. The financial report includes consolidated financial statements for the City of Regina reporting entity as required by the Public Sector Accounting Standards. The purpose of this report is to provide financial, statistical and other information about the City of Regina and related entities to allow readers to gain an understanding of the City and the resources available to the City.

The Annual Financial Report consists of the following sections:

- The introductory section is to familiarize the readers with the history of our City, the political and organizational structure of the City of Regina, and the nature and scope of the services provided by the City.

- The financial section includes the Consolidated Financial Statements and a supplementary schedule. The information consists of various levels of financial detail to help people understand the financial resources available to the City.

- The statistical section contains additional information to provide a broader understanding of the City of Regina.

The preparation and presentation of the financial statements and related information contained in this annual report is the responsibility of the management of the City of Regina. The statements have been prepared on a basis consistent with the recommendations of the Public Sector Accounting Board (PSAB). Included in the consolidated financial statements are those entities that are accountable to and owned or controlled by the City of Regina as defined by the PSAB. These entities include: Regina Public Library, Regina Regional Economic Development Authority, Regina Pioneer Village, City of Regina Sinking Fund, Regina Market Square Business Improvement District and Buffalo Pound Water Administration Board. The supplementary schedule to the financial statements is prepared without consolidating these entities.

City Council has appointed the accounting firm of Deloitte & Touche, LLP to perform an independent audit of the City's 2000 financial statements, and their report is included herein. The accuracy and reliability of the financial information is ensured by the City's system of internal controls. The City's Finance and Administration Committee is required to review the external auditors' audit plan, and ensure corrective action is taken for weaknesses identified in the City's internal control system.

The planning and development of the annual operating and capital budgets is a fundamental component of the City's financial administration. City Council has adopted a series of thirteen budget principles to guide the development of the budget. A key budget principle is to continue to provide basic community services while keeping the municipal tax rate increase if required, at or below the rate of inflation. In 2000, the municipal mill rate was increased by 1.33% to maintain core programs and service levels.

The City's AA+ bond rating with a stable outlook from Canadian Bond Rating Service (CBRS) was maintained in 2000. CBRS has merged with Standard and Poor's, and the rating has been reaffirmed by the new firm.

As noted, the financial statements included the consolidated results for the City of Regina and several related entities. On page 29 of this document, the non-consolidated results for the City of Regina are presented. The Fund Balance, End of Year of $359,000 represents the net transfer to the General Surplus Reserve from the 2000 operations. This amount is a combination of an operating deficit of approximately $1,140,000, and a reversal of an account payable established in the past in the amount of $1.5 million.

Based on the consolidated information, the following points are noted for 2000:

- Total revenues in 2000 decreased by about $2.0 million from 1999. The decrease is largely attributable to the elimination of the business tax in 2000, and the result of adverse assessment appeal decisions.

- Total expenditures in 2000 increased by about $5.0 million, largely as a result of increased costs for wages and benefits resulting from negotiated or arbitrated settlements.

- The decrease in taxes receivable and the continuing decline in the City's long term debt are important positive trends.

The City's achievements in providing accurate and articulate financial statements were recognized by the Government Finance Officers Association of the United States and Canada (GFOA) for the eighth consecutive year. GFOA awarded a Canadian Award for Financial Reporting to the City of Regina for its annual financial report for the fiscal year ended December 31, 1999. The Canadian Award for Financial Reporting program was established to encourage municipal governments throughout Canada to publish quality financial reports and to provide peer recognition and technical guidance for officials preparing these reports.

In order to be awarded a Canadian Award for Financial Reporting, a government unit must publish an easily readable and efficiently organized annual financial report, whose contents conform to program standards. Such reports should go beyond the minimum requirements of generally accepted accounting principles and demonstrate an effort to clearly communicate the municipal government's financial picture, enhance an understanding of financial reporting by municipal governments, and address user needs. A Canadian Award for Financial Reporting is valid for a period of one year only. We believe our current report continues to conform to the Canadian Award for Financial Reporting program requirements, and we are submitting it to GFOA.

Respectfully submitted,

Doug Fisher, CA
Director of Finance

City of Regina

Introductory Section

Community Profile

Regina, the capital city of Saskatchewan, is an anchor of economic activity on a sea of golden wheat. Regina has grown from a small railway depot on the CPR line to become a major trading centre for goods and services in southern Saskatchewan. The Queen City has a diverse, mixed economy that boasts healthy commercial activity, strong manufacturing and technology sectors, and a growing service sector.

City Hall

Living in the Heart of Canada's Prairie

Regina is an attractive place to live, work and raise a family. From a sparsely treed, flat town-site, the city has developed into a pleasant urban setting highlighted by beautiful Wascana Lake, a man-made body of water in front of the Provincial Legislative Building. Over a half million trees were planted to grace city streets and parks.

Approximately 190,000 people call Regina their home. Affordable housing, diverse shopping, numerous career opportunities, and a beautiful urban setting have encouraged many to settle in the city. Regina's excellent school system, numerous parks, family attractions, pathways and sports organizations combine to make for a high quality of family life.

A Strong Economic Base

From the beginning, agriculture was the dominant sector in Regina's economy. The city became the distribution point for farm machinery for the western Canadian grain belt, and was the natural choice as a site for head offices of banks, trust companies and insurance companies. Saskatchewan Cooperative Wheat Producers Limited, the forerunner of the Saskatchewan Wheat Pool, was formed in the 1920's, and gave a boost to Regina's agricultural base.

Regina has diversified beyond agriculture with the addition of an oil refinery, the heavy oil upgrader, the University of Regina, steel-producer IPSCO, and many others.

Hosting World-Class Events

In addition to its commercial activities, the city enjoys the economic benefits from annual events such as Canadian Western Agribition, Western Canadian Farm Progress Show and Buffalo Days Exhibition. In 2000, Regina hosted the International Grains Council Conference.

The City has hosted the Canadian Championships of the International Arabian Horse Association, known as the Royal Red, since 1988. The Association committed to holding the show, which draws over 900 competing horses from all over North America, in Regina for another five years.

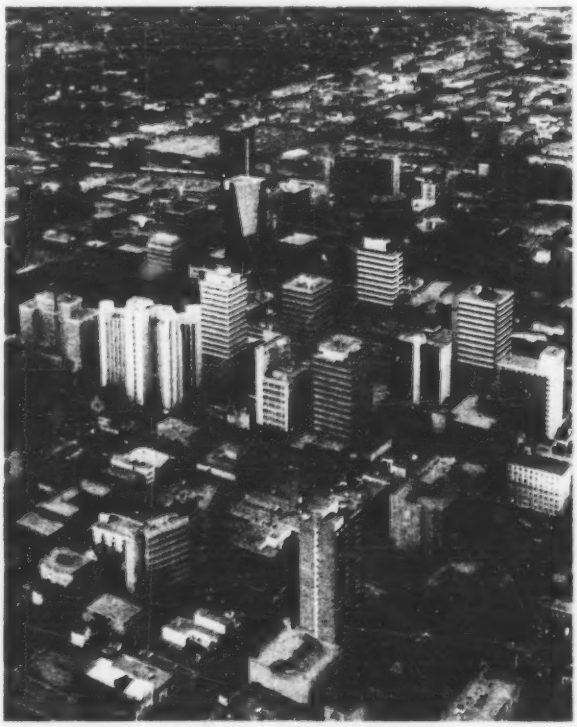
Several sporting events are also scheduled to be held in Regina, including the 2001 Memorial Cup, Canada's junior hockey championship, and the Roar of the Rings, the event to select the men's and women's curling teams to represent Canada at the 2002 Winter Olympic Games.

A Supportive Economic Climate

In its 1999 report entitled: *Competitive Alternatives Study: A comparison of business costs in North America, Europe and Japan*, KPMG ranked 64 cities in eight countries around the world to help firms compare business cost fundamentals and to identify promising locations for their operations.

The report ranked Regina as having the sixth-lowest overall cost of the 64 cities examined and the lowest combined costs for a major city located in the Pacific and West Region of North America (which includes the Prairie Provinces and several states).

Since the release of the KPMG report, the City of Regina has eliminated its business tax. This strategy enhanced growth in Regina's business sector and has helped raise awareness of the city's business-friendly attitude.



Aerial view of downtown Regina

Many organizations have recognized that it makes good business sense to locate in Regina. Regina has become a popular location for national call centres. Regina is now home to call centres for businesses such as Sears, CIBC, and the Royal Bank. This is due in large part to the low cost office space and the cutting edge technology developed by the provincial crown corporation, SaskTel.

In 2000, another national call centre, the new Staples Call Centre will bring an additional 600 jobs to Regina.

Regina is becoming known for its strong nucleus of high-tech companies. A variety of academic and industry researchers are working towards the commercialization of technologies in Saskatchewan's newest Research and Development Park, located at the University of Regina. In October 2000, the Saskatchewan Opportunities Corporation's (SOCO) $13 million Petroleum Technology Research Centre officially opened in the Park. Employing over 50 scientists and students, this building houses state-of-the-art facilities to research new ways to recover more oil from Saskatchewan's oil pools in an environmentally and economically sustainable way. In late 2000, work was also completed on a $15 million Information Technology Research Centre. The centre will attract businesses involved in software development, new media and other IT services.

Looking Towards the Next Century

In 2003, Regina will celebrate its 100th anniversary of its incorporation as a city. The city's entrepreneurial spirit, coupled with its friendly, family-oriented atmosphere, will ensure its prominence as a major economic force on the Canadian prairies for the next 100 years.

Historical Dates to Remember

1883 *Regina is incorporated as a town.*

1884 *The first election for mayor and councillors takes place.*

1885 *The Riel Rebellion occurs.*

1886 *The first town hall is constructed.*

1889 *The first schools are established.*

1890 *The Regina Electric Light and Power Company is registered.*

1898 *Cottage Hospital is established.*

1903 *Regina is incorporated as a city.*

1905 *The Province of Saskatchewan is created.*

1906 *Regina is named Saskatchewan's capital city.*

1908 *The second City Hall is completed.*

1911 *Streetcar service begins.*

1912 *The Legislative Building is officially opened.*

1916 *Imperial Oil Refinery (now Consumers Cooperative Refinery) is built.*

1918 *Simpson's opens its mail order house.*

1930 *Albert Street Memorial Bridge is built.*

1954 *CKCK, the first television station in Western Canada, opens.*

1957 *Natural gas service arrives in Regina.*

1962 *Regina Public Library (Central Branch) opens.*

1977 *Present City Hall is opened.*

1992 *Governor General Raymond Hnatyshyn presents Regina with a new flag and coat of arms.*

The city center as viewed from Wascana Park

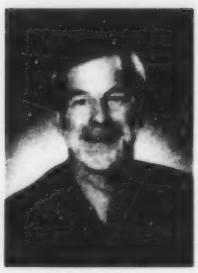
City Council

Regina uses a Council/Manager form of government. It is comprised of a City Council, standing committees, and other committees, boards and commissions. City Council's primary responsibility is to provide policy direction under which the municipality operates. Council also sets the long-range service goals, and approves the municipality's operating and capital budgets.

Regina City Council consists of a Mayor and ten Councillors. Each Councillor represents one city ward for a three-year term. The Mayor presides at all meetings of City Council and is the ceremonial head of the municipal government. The Mayor and City Clerk are the municipality's official signing officers. A municipal election was held on Wednesday, October 25, 2000. The City Council members elected for the 2000-2003 term are shown below.

Mayor Pat Fiacco

Mike Badham
Ward 1



Bill Hutchinson
Ward 2

Fred Clipsham
Ward 3

Michael Fougere
Ward 4

Bill Gray
Ward 5

Rob Deglau
Ward 6

Joe McKeown
Ward 7

Vic McDougall
Ward 8

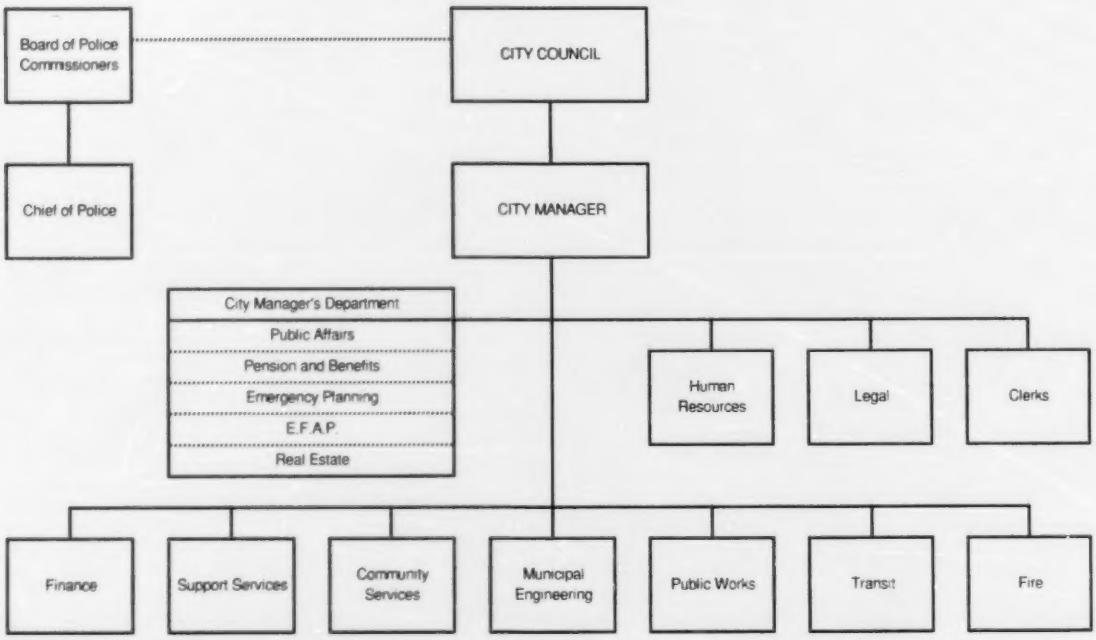
Darlene Hincks
Ward 9

Bill Wells
Ward 10

Municipal Administration

The City Manager is the chief administrative officer of the City of Regina and is appointed by Council. The City Manager's Bylaw outlines the responsibilities and power for this position. The City Manager advises Council on all matters related to the City's programs and services. In addition, the City Manager is responsible and accountable for directing and organizing the administration so as to achieve the goals and objectives of the City in the most economic, effective and efficient manner possible.

City of Regina Organizational Structure



City Manager's Department

The City Manager's Department consists of the following divisions: Public Affairs, Pension and Benefits, Emergency Planning, Real Estate, and Employee and Family Assistance. Each division reports directly to the City Manager.

The Public Affairs Division promotes the City as a community and works to develop an understanding and appreciation among Regina's citizens of the programs and services of the City. Public Affairs accomplishes this through the coordination and direction of media relations, advertising and production services, along with external communications and internal communications for the City.

The Pension and Benefits Division administers pension plans, disability, and group insurance benefits on behalf of the City and the Pension Administration Boards.

Emergency Planning is responsible for planning the response to major emergencies or disasters. This division coordinates the activities of other City departments, government departments, private industry and volunteers who respond to major emergencies.

The Real Estate Division acts as the City's in-house realtor, providing buying, leasing, selling and development services for all lands owned by the City and not used by another City department.

The Employee and Family Assistance Program is a cooperative effort between the City and its unions and associations. Its purpose is to provide employees, their immediate family and retired employees confidential, professional counselling to assist them to overcome a wide range of personal problems.

City Clerk's Department

The City Clerk's Department acts as the Secretary of the City. Officials from the City Clerk's Department attend all Council and Committee meetings and document the decisions made at such meetings. The maintenance of bylaws and archiving of records is also included, along with the provision of secretarial and staff support to City Councillors.

The City Clerk acts as a signing officer for the City, ensures the proper approval before affixing the Corporate Seal and provides a link between the general public, the City Administration and City Council. The City Clerk also acts as Returning Officer for civic elections.

Community Services Department

Community Services provide services that enhance the quality of life for the citizens of Regina. The Department facilitates urban development in many areas. Its divisions provide building permit and inspection services, develop recreation programs, art facilities and landscape design, and maintain parks and "open space" areas.

The Department investigates suspected violations of city bylaws on land use or property maintenance, such as noxious weeds or unsightly property. It also works to help the disadvantaged become self-sufficient, and provides land use planning, development and heritage planning.

Travelling the Devonian Pathway

Finance Department

The Finance Department provides corporate leadership, management and support to develop, promote and safeguard the economic, financial and information resources for the benefit of the City. The divisions in this Department provide accounting services, payroll services, debt management, capital financing, revenue administration, customer billing and collections, and the acquisition of goods, materials and contracted services.

The divisions handle the assessment of all land, improvements and businesses within the municipality for the purpose of taxation. They also bill and collect property taxes and grants-in-lieu of taxes.

The Finance Department also supports the development and monitoring of the budget and provides other support to the budget and financial processes. It issues licenses, provides information processing and related services, manages cash flows and provides investment services for the City, its pension plans and trust funds.

Fire Department

The Fire Department provides for fire suppression, emergency response to dangerous situations such as hazardous material incidents, fire prevention by means of public education and awareness, inspections and enforcement of fire codes and regulations.

Fire prevention through education

Human Resources Department

This Department provides staff recruitment services, salary and benefit management, employee training and development, collective bargaining and labour relations, occupational health and safety programs, employee wellness programs, and promotes employment equity within the corporation.

Legal Department

The Legal Department provides general legal services to City Council and the Administration, including the defense of all actions against the City and the prosecution of the violations of bylaws. This Department provides insurance and risk management services.

Municipal Engineering Department

Municipal Engineering Department is responsible for planning, design and construction of the supply and distribution of water, the collection and disposal of solid and liquid wastes, the routing and control of surface drainage, the safe and efficient movement of people and goods, the development and inspection services, and the protection and preservation of the natural environment.

The City at work in the winter

Public Works Department

The Public Works Department is responsible for sewage and water line maintenance, wellfield and water pumping operations, road maintenance and snow removal, traffic system maintenance, waste disposal and the sewage treatment system.

Support Services Department

Support Services Department provides facility management, equipment, vehicles and materials to maintain the infrastructure or assist other departments.

The divisions in this Department are responsible for energy management for all City facilities and machinery, and inventory control of bulk granular materials. The Department provides vehicles and equipment for the construction and maintenance of municipal infrastructure.

Transit Department

The Transit Department provides regular bus route service within the City of Regina, including the provision of information regarding bus routes, and advertising and marketing programs to promote the use of public transportation. This results in an efficient and effective means of public transportation. It also improves accessibility to the core area to promote downtown redevelopment and expansion, and to meet the travel demand generated by higher density growth. Through Regina Paratransit Service, the Department also provides service to nearly 5,000 residents who are unable to use the regular transit service.

Public Transit serving the city

Police Department

The City of Regina is responsible, pursuant to *The Police Act of Saskatchewan*, for the maintenance of law and order within its boundaries. The City is required to appoint a Board of Police Commissioners, which in turn is required to provide a police force to maintain a reasonable standard of law enforcement. A majority of Board members are required to be members of City Council.

The annual budget of the Board of Police Commissioners must be approved by City Council, and the Board may not authorize any expenditure in excess of the total budget, nor approve any expenditure for a matter or purpose not originally budgeted for, without the prior approval of City Council. Funding for the police budget is provided from general municipal funds.

The day-to-day operations of the police force are directed by the Chief of Police, who is a statutory agent of the Board of Police Commissioners and acts under their general direction. The power of City Council extends to the appointment of the Board, and the approval of the Board's budget but does not extend to operational matters.

2000 Highlights

- *Regina Paratransit celebrates 25 years of service*
- *City Council approves construction of two new fire stations*
- *Taylor Field improvements include turf replacement and repairs to stands*
- *9th Avenue North upgraded from Pasqua Street and McCarthy Boulevard*
- *Lawson Aquatic Centre celebrates 25th birthday*
- *South East Education Community Complex opens*
- *South East Leisure Centre renamed the Sandra Schmirler Leisure Centre*
- *North West Arena renamed the Doug Wickenheiser Arena*
- *Automated vote counting machines used for 2000 civic election*

City of Regina

Financial Section

City of Regina

Consolidated Financial Statements

Management's Report

The management of the City of Regina is responsible for the integrity of the accompanying consolidated financial statements and all other information within this Annual Report. The consolidated financial statements have been prepared by management in accordance with generally accepted accounting principles for the public sector recommended by the Canadian Institute of Chartered Accountants. The preparation of the consolidated financial statements necessarily includes some amounts which are based on the best estimates and judgements of management. Financial data elsewhere in the Annual Report is consistent with that of the financial statements.

To assist in meeting its responsibility, management maintains accounting, budget and other internal controls. These controls provide reasonable assurance that transactions are appropriately authorized and accurately recorded, that assets are properly accounted for and safeguarded, in order that the integrity of financial records is maintained.

The consolidated financial statements have been audited by the independent firm of Deloitte & Touche LLP. Their report to the Mayor and City Council, stating the scope of their examination and opinion of the consolidated financial statements, follows.

Bob Linner
City Manager
June 18, 2001

Doug Fisher, CA
Director of Finance

Auditors' Report

To: His Worship the Mayor and Members of City Council

We have audited the consolidated statement of financial position of the City of Regina as at December 31, 2000 and the consolidated statements of financial activities and changes in fund balance, changes in financial position, and changes in unexpended capital financing for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the City of Regina as at December 31, 2000, and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles for the public sector recommended by the Canadian Institute of Chartered Accountants.

Deloitte & Touche LLP

Regina, Canada,
May 5, 2001

Chartered Accountants

Consolidated Statement of Financial Position

As at December 31, 2000
(in thousands of dollars)

	2000	1999
ASSETS		
Current Financial Assets		
Cash	12,407	11,246
Short-Term Investments - Note 3	31,682	32,974
Accounts Receivable	19,547	20,228
Taxes Receivable - Note 4	6,415	15,640
	70,051	80,088
Property Held for Resale - Note 5	2,154	2,349
Long-Term Investments - Note 6	39,718	36,545
Total Financial Assets	111,923	118,982
Materials and Supplies	2,913	3,297
	114,836	122,279
LIABILITIES		
Current Financial Liabilities		
Accounts Payable and Accrued Charges	20,083	19,302
Taxes Payable to School Boards	2,193	11,958
Debentures and Coupons Due	2,426	1
Accrued Debenture, Principal and Interest	5,997	6,210
Current Portion of Capital Leases - Note 18	742	486
Current Maturities of Long-Term Debt - Note 7	7,100	7,100
	38,541	45,057
Lease Obligations - Note 18	2,373	1,950
Long-Term Debt - Note 7	35,108	42,206
Deferred Revenue	1,573	1,391
Employee Benefits - Note 14	20,266	18,855
Landfill Closure and Post Closure - Note 15	11,053	10,217
Total Financial Liabilities	108,914	119,676
MUNICIPAL POSITION		
Appropriated		
Committed Balances - Note 8	30,118	31,999
Reserves for Future Expenditures - Note 9	36,975	35,864
Fund Balance, End of Year	(31,407)	(37,904)
Unfunded Liabilities - Notes 14 and 15	(29,764)	(27,356)
Total Municipal Position	5,922	2,603
	114,836	122,279

See accompanying notes.

Consolidated Statement of Financial Activities and Changes in Fund Balance

For the Year Ended December 31, 2000
(in thousands of dollars)

Budget 2000 unaudited		2000	1999
	REVENUE		
96,517	Taxation Revenues - Note 12	94,713	98,379
3,679	Licenses and Levies	3,676	3,608
6,636	Government Grants	7,317	6,575
31,444	Fees and Charges	31,522	32,141
36,744	Fiscal Revenues	41,927	41,911
1,951	Fines	2,522	1,923
45,296	Water and Sewer Utility Revenues	43,889	43,049
222,267		225,566	227,586
	EXPENDITURES		
2,088	Legislative Services	2,217	1,664
57,384	Corporate Services	52,856	47,068
54,424	Protective Services	55,608	53,511
29,864	Transportation Services	28,821	29,678
40,044	Community Services	38,722	38,645
4,380	Environmental Services	3,253	4,393
6,495	Planning and Development Services	6,071	5,236
32,229	Water and Sewer Utility	31,637	34,143
629	Other	2,678	2,475
227,537		221,863	216,813
(5,270)	Excess of Revenues Over Expenditures	3,703	10,773
(7,100)	Principal Repayment of Long Term Debt	(7,100)	(16,780)
(1,657)	Other Financial Charges	9,405	16,091
(8,757)		2,305	(689)
-	Fund Balance, Beginning of Year	(37,904)	(46,823)
-	Transfer from Unexpended Capital	5,343	2,033
23,259	Appropriation from Reserves	12,877	8,323
(9,552)	Appropriation to Reserves	(17,731)	(11,521)
13,707		(37,415)	(47,988)
(320)	Fund Balance, End of Year	(31,407)	(37,904)

See accompanying notes.

Consolidated Statement of Changes in Financial Position

For the Year Ended December 31, 2000
(in thousands of dollars)

	2000	1999
OPERATING ACTIVITIES		
Excess of Revenues Over Expenditures	3,703	10,773
Equity (Income) Loss from Regina Pioneer Village - Note 6	(142)	286
Transfer from Reserve	(1,375)	(12,324)
Capital Transactions	15,608	8,532
Change in Deferred Revenue	182	(2,606)
Net Change in Non-Cash Working Capital Balances - Note 10	3,542	517
Cash Provided by Operating Activities	21,518	5,178
INVESTING ACTIVITIES		
Long-Term Investments	(1,237)	(1,541)
Capital Outlay	(37,799)	(31,861)
Cash Used by Investing Activities	(39,036)	(33,402)
FINANCING ACTIVITIES		
Debt Principal Repayments	(7,100)	(16,780)
Transfer from General Operating Reserves	123	-
Current Contributions to Capital	13,431	15,568
Government Grants	1,750	130
Land Sales	3,034	337
Developers' Hectarage Assessment	2,342	2,100
Transfers to Debenture Reserves	(212)	(376)
Local Improvements	38	120
Other Sources	3,981	10,273
Cash Provided by Financing Activities	17,387	11,372
Decrease in Cash Position	(131)	(16,852)
Cash Position, Beginning of Year	44,220	61,072
Cash Position, End of Year	44,089	44,220

Cash position includes cash and short-term investments.

See accompanying notes.

Consolidated Statement of Changes in Unexpended Capital Financing

For the Year Ended December 31, 2000
(in thousands of dollars)

	2000	1999
Balance, Beginning of Year	34,711	36,744
Source of Funds		
Government Grants	1,750	130
Land Sales	3,034	337
Developers' Hectarage Assessment	2,342	2,100
Local Improvements	38	120
Current Contributions from Operations	13,382	12,437
Other Sources	2,204	7,917
	22,750	23,041
Use of Funds		
Acquisition of Capital Assets		
General Municipal	23,743	21,422
Water and Sewer Utility	13,552	10,151
	37,295	31,573
Transfers from Reserves and Operations	9,202	6,499
Balance, End of Year	29,368	34,711

See accompanying notes.

Notes to Consolidated Financial Statements

For the Year Ended December 31, 2000
(in thousands of dollars)

1. Basis of Presentation of Financial Statements

The City of Regina (the "City") follows generally accepted accounting standards for the public sector recommended by the Canadian Institute of Chartered Accountants. The financial statements consolidate the assets and liabilities and flow of resources of all entities which are accountable to and controlled or owned by the City of Regina namely:

- Regina's Market Square
- Regina Regional Economic Development Authority
- Regina Public Library
- General Operating and Capital Funds
- Water and Sewer Utility Operating and Capital Funds
- Sinking Fund

All interfund assets, liabilities, revenues and expenditures have been eliminated.

The City has an interest in the Buffalo Pound Water Administration Board, a Government Partnership that is proportionately consolidated.

The City also has an investment in the Regina Pioneer Village, a Government Business Enterprise that is accounted for using the modified equity method.

The following entities are not part of the government reporting entity and are not included in the consolidated financial statements:

- General Trust Fund
- Regina Casual Employees' Superannuation Plan and Elected Officials' Money Purchase Pension Plan
- Regina Civic Employees' Long Term Disability Plan
- Regina Civic Employees' Superannuation and Benefit Plan
- Regina Elected Officials' Pension Plan
- Regina Police Superannuation and Benefit Plan
- Regina Chief of Police Pension Plan

The assets, liabilities and operations of the school boards are not reflected in these consolidated financial statements. However, amounts owing to the school boards are reported separately on the consolidated statement of financial position.

In addition to the consolidated statement of financial position, and consolidated statements of financial activities and changes in fund balance and changes in financial position, the consolidated statement of changes in unexpended capital assets is included. This statement is used to account for the funds available for capital financing and the acquisition of capital assets.

2. Summary of Significant Accounting Policies

The consolidated financial statements of the City are the representation of management in accordance with the following accounting policies:

Note 2 (continued)

i) Revenue and Expenditure Recognition
The accrual basis of accounting is used for all funds. The accrual basis of accounting recognizes revenues, as they are earned and measurable; expenditures are recognized as they are incurred.

ii) Investments
All investments are recorded at cost or amortized cost. Investment earnings are accounted for on the accrual basis. Premiums and discounts are amortized over the life of the investment.

iii) Materials and Supplies
Inventories of materials and supplies are valued at average cost.

iv) Taxes Collected for Others
The City collects taxes for the Regina Public Library Board, the Regina Separate School Board and the Regina Public School Board. These taxes are remitted to the respective Boards less an amount to offset discounts, interest and cancellations relating to school taxes.

v) Debt
Debt service costs include interest payments and are a charge against current operations.

vi) Deferred Revenue
Deferred revenue is comprised of monies received in advance for taxes, transit passes, servicing and sub-division revenue, prepaid cemetery revenue and pre-season ticket sales from the various recreational facilities throughout the City.

vii) Superannuation and Benefit Plans
The City records its pension and benefit expenses based on funding requirements.

3. Short-Term Investments

Short-term investments recorded at a cost of 31,682 (1999 – 32,974) have a market value approximating cost. These investments may include a combination of treasury bills, commercial paper, bankers' acceptances or promissory notes.

4. Taxes Receivable

Taxes receivable have been reported net of an allowance for doubtful accounts of 1,751 (1999 – 2,134). The allowances have been determined through individual appraisal of outstanding amounts.

5. Property Held for Resale

Property acquired through the tax enforcement process and temporarily held is recorded at the lesser of cost (cost equal to the outstanding taxes including any applicable penalties) and the net recoverable amount. Property held for resale has been reported net of an allowance for unsaleable properties of 916 (1999 – 798). The allowances have been determined through individual appraisal of outstanding amounts.

6. Investments

Long-term investments include marketable securities recorded at an amortized cost of 33,025 (1999 – 29,994) with a market value of 36,238 (1999 – 30,936). The City also has an investment in a Government Business Enterprise, Regina Pioneer Village at a cost of 6,693 (1999 – 6,551). The following is a schedule of relevant financial information for Regina Pioneer Village:

Regina Pioneer Village Ltd.
Condensed Consolidated Statement of Unappropriated Retained Earnings
For the Year ended March 31, 2000
(in thousands of dollars)

	2000	1999
Unappropriated Retained Earnings Beginning of Year	773	919
Revenues		
Regina Health District	12,788	11,520
Other Revenue	5,643	5,737
	18,431	17,257
Expenses		
Salaries and Wages	13,085	12,034
Other Expenses	4,934	5,076
	18,019	17,110
Appropriations to Reserves	(387)	(293)
Unappropriated Retained Earnings End of Year	798	773

Regina Pioneer Village Ltd.
Condensed Consolidated Balance Sheet
As at March 31, 2000
(in thousands of dollars)

	2000	1999
Current Assets	2,659	2,614
Capital Assets	14,556	14,672
Other	599	481
	17,814	17,767
Current Liabilities	2,011	1,993
Long Term Liabilities	9,110	9,223
Member's Equity	6,693	6,551
	17,814	17,767

7. Long-Term Debt

A. Debt

Year Repayable	Coupon Interest Rate %	Serial Debt	Sinking Fund Debt	Total Debt	City Debentures Held by Sinking Fund
2001	5.375 - 17.625	7,100	3,847	10,947	3,856
2002	5.500 - 17.000	5,600	2,275	7,875	-
2003	5.500 - 10.875	5.600	1,356	6,956	814
2004	5.500 - 8.875	5,600	-	5,600	-
2005	5.625 - 9.000	5,600	-	5,600	-
2006	5.625 - 6.750	4,300	-	4,300	-
2007	5.625 - 6.750	4,300	-	4,300	-
2008	5.750	1,300	-	1,300	-
		39,400	7,478	46,878	4,670

	2000	1999
Total Debt Net of City Debt held by Sinking Fund	**42,208**	49,306
Current Maturities of Long-Term Debt	**7,100**	7,100
Long-Term Debt	**35,108**	42,206
	42,208	49,306

The City's authorized debt limit as at December 31, 2000 is 94,000 (1999 – 94,000) of which 46,878 (1999 – 55,768) has been utilized. Total interest incurred on the debt during 2000 was 2,969 (1999 – 4,561).

All debt is issued in Canadian dollars.

B. Sinking Fund Requirement

The City of Regina administers a Sinking Fund into which annual levies are deposited to retire future debt obligations. The equity in the Sinking Fund is the accumulation of the annual levies plus interest compounded annually at the rate of 4% for debt issued from 1972 to 1988 and 6% for debt issued after 1988. The annual levies for the next three years are as follows:

2001	2002	2003
293	144	68

Note 7 (continued)

The Sinking Fund, amounting to 8,547 (1999 – 9,705) is included in the Consolidated Statement of Financial Position. Included in this amount is a surplus of 1,941 (1999 – 2,002). Its operations are included in the Consolidated Statement of Financial Activities and Changes in Fund Balance. The Sinking Fund assets are restricted to retire City debt that is designated as supported by the Sinking Fund. However, in 2000, the City requested permission to allow the use of surplus funds for current operations.

C. Bank Indebtedness

Pursuant to Bylaw 10189 *The Temporary Borrowing Bylaw, 2000*, the City can incur bank indebtedness. Interest on this indebtedness is calculated at the prime rate of interest less ½%, payable monthly and may have securities of the City pledged or mortgaged as security for the debt obligation. In 2000, no securities of the City were pledged as security for the debt obligation as provided by this bylaw.

8. Committed Balances

At year-end the following amounts have been reserved from the fund balance for the completion or continuation of capital projects in the following areas:

	2000	1999
General Municipal	21,748	17,931
Water and Sewer Utility	8,370	14,068
	30,118	31,999

9. Reserves for Future Expenditures

The City is empowered under *The Urban Municipality Act, 1984* to create, by bylaw, reserves for any purpose within the powers or duties conferred or imposed upon it by provincial legislation.

Funding for reserves is prescribed in each bylaw and may be derived from surplus monies of the City, specific budget allocations or any other sources as specified in the bylaw. Allocations to any reserve from the general operations of the City is shown as an Appropriation to Reserves on the Consolidated Statement of Financial Activities and Changes in Fund Balance. Withdrawals from capital reserves are charged against the operations in the current year and appear in the Consolidated Statement of Financial Activities and Changes in Fund Balance.

Withdrawals from reserves for either capital or operating purposes must be within the guidelines set out by the applicable bylaw. Annually, a provision is made to set aside portions of unspent budget allocations in accordance with Bylaw 8596 into a Reserve for Financial Commitments. In the subsequent year, these monies are brought into operations to be used for the purposes as set aside. The funding provided by the reserve is shown as an Appropriation from Reserves on the Consolidated Statement of Financial Activities and Changes in Fund Balance. Corresponding expenditures are shown within the program to which they pertain.

Note 9 (continued)

Changes in Reserves – General Operations
(in thousands of dollars)

	2000	1999
Balance, Beginning of Year	37,184	31,925
Source of Funds		
Contributions from Operations	19,104	20,130
Contributions from Employees	797	357
Interest Earned	256	184
Transfer from Other Funds	36	71
Other	7,447	3,958
	27,640	24,700
Use of Funds		
Equipment Maintenance and Repair	7,563	7,232
Transfers to Operations	3,722	1,957
Transfers to Capital	13,850	9,884
Other	671	368
	25,806	19,441
Balance, End of Year	39,018	37,184

Changes in Reserves – Capital
(in thousands of dollars)

	2000	1999
Balance, Beginning of Year	(1,320)	(140)
Source of Funds		
Contributions from Operations	140	267
Land Sales	3,034	337
Developers' Hectarage Assessment	2,302	1,865
Other	771	3,882
	6,247	6,351
Use of Funds		
Transfers to Capital Projects	6,820	7,531
Land Purchases	150	-
	6,970	7,531
Balance, End of Year	(2,043)	(1,320)

Note 9 (continued)

The balance of reserves held by the City of Regina as at December 31 is as follows:

	2000	1999
Operating Funds:		
Equipment Reserves	9,738	8,383
Insurance Reserves	5,118	3,963
General and Utility Reserves	24,162	24,838
	39,018	37,184
Capital Funds:		
General and Utility Reserves	(2,043)	(1,320)
	36,975	35,864

10. Net Change in Non-Cash Working Capital Balances

	2000	1999
Accounts Receivable	681	(432)
Taxes Receivable	9,225	5,531
Property Held for Resale	195	933
Accounts Payable and Accrued Charges	781	(6,131)
Taxes Collected for School Boards	(9,765)	654
Debentures and Coupons Due	2,425	(38)
	3,542	517

11. Assets at Nominal Value

Saleable land is recorded at nominal value. Proceeds from the sale of land are recorded in the General Capital Reserve as revenue in the year sold. At year end the approximate market value of saleable land was 8,872 (1999 – 8,500).

12. Taxation Revenue

	2000	1999
Total Taxation Revenue Levied	199,390	206,932
Less Taxes Collected on Behalf of:		
Regina School Division No. 4	(72,475)	(75,512)
Regina Roman Catholic Separate School Division No. 81	(31,608)	(32,824)
Regina Public Library Board	(9,878)	(10,283)
	85,429	88,313
General Taxes - Municipal	6,574	6,417
Grants in Lieu	778	1,705
Supplementary Taxes	1,932	1,944
Other	94,713	98,379

13. Superannuation and Benefit Plans

All eligible employees of the City, Board of Police Commissioners and elected officials are members of a superannuation plan. The City also has a defined contribution plan for certain casual employees. The City's share of contributions is recorded as an expenditure in the year in which the contributions are due.

i) Casual Employees' Superannuation and Elected Officials' Money Purchase Pension Plan

Members' contributions are 3% (Casual Employees') and 6.95% (Elected Officials') of salary. The City matches contributions to the Plan. Members' contributions for 2000 were 169 (1999-156). The City's contributions for 2000 were 169 (1999-156). This is a defined contribution plan.

ii) The Civic Employees' Superannuation and Benefit Plan

The Civic Employees' Superannuation and Benefit Plan also includes employees of the Regina Health District (the Regina General Hospital Division and Community Health Division), the Regina Public Library Board, the Buffalo Pound Water Administration Board and the non-teaching staff of the Board of Education of the Regina School Division No. 4 of Saskatchewan.

Employees' contributions are a percentage of salary ranging from 6.3% to 7.9%. The City matches the employees' contributions to the Plan. Employees' contributions for 2000 were 9,478 (1999-8,834). The City's contributions for 2000 were 9,373 (1999-8,829).

In addition to regular contributions, the City is required to pay on a monthly basis until December 2008, the annualized amount of 64 for unfunded past service costs in the Police Superannuation and Benefit Plan.

The most recent actuarial valuation of the Civic Employees' Superannuation and Benefit Plan that has been completed was at December 31, 1999. Based on the accrued benefit actuarial cost method, the unfunded liability on December 31, 1999 was nil.

iii) Elected Officials' Pension Plan

Members' contributions are 8.97% of salary. The City matches the Members' contributions to the Plan. Members' contributions for 2000 were 3 (1999-4). The City's contributions for 2000 were 3 (1999-4).

The most recent actuarial valuation of the Elected Officials' Pension Plan that has been completed was at December 31, 1997. Based on the projected unit credit actuarial cost method, the excess of assets over liabilities on December 31, 1997 was 16.

iv) Regina Civic Employees Long Term Disability Plan

Employees' contributions are 0.83% of salary. The City matches the Employees' contributions to the Plan. Employees' contributions for 2000 were 1,159 (1999-1,086). The City's contributions for 2000 were 1,159 (1999-1,086).

The most recent actuarial valuation of the Regina Civic Employees' Long Term Disability Plan that has been completed was at December 31, 1998. Based on the accrued benefit actuarial cost method, the unfunded liability on December 31, 1998 was 2,142.

Note 13 (continued)

v) Police Superannuation and Benefit Plan

Employees' contributions are a percentage of salary ranging from 10.33% to 11.83%. The City matches the Employees' contributions to the Plan. The City's contributions are a percentage of salary ranging from 10.83% to 12.33%. Employees' contributions for 2000 were 2,860 (1999 – 2,674). The City's contributions for 2000 were 3,055 (1999 – 2,887).

The most recent actuarial valuation of the Police Superannuation and Benefit Plan that has been completed was at January 1, 1998. Based on the accrued benefit actuarial cost method, the unfunded liability on January 1, 1998 was 25,278.

vi) Chief of Police Pension Plan

The Employee's contribution is 9% of salary. The City matches the Employee's contribution to the Plan subject to the maximum funding limits established in the *Income Tax Act* under Regulation 8515. The Employee's contributions for 2000 were 9 (1999 – 9). The City's contributions for 2000 were 5 (1999 – 6).

The most recent actuarial valuation of the Chief of Police Pension Plan that has been completed was at January 1, 1999. Based on the accrued benefit actuarial cost method, the unfunded liability on December 31, 2000 was 249. The member is responsible for 54 of this unfunded liability.

14. Employee Benefits

Under various union agreements and benefits provided to out-of-scope staff, unused sick leave can accumulate and employees may be entitled to a cash payment when they leave the employment of the City.

Certain employees of the Police and Transit Departments are not eligible for vested sick leave benefits but may receive severance or retirement allowances.

The undiscounted liability for these accumulated costs, to the extent that they are vested and could be taken in cash by an employee on termination, amounted to approximately 11,863 (1999 – 10,431).

In addition, the City has an undiscounted liability for vacation pay of approximately 8,122 (1999 – 7,936).

In 1993, an enhanced early retirement program was offered by the City to certain employees. Employees who chose to participate in the program receive monthly incentive payments until age 65. The undiscounted liability for these incentive payments amounted to approximately 281 (1999 – 488).

15. Landfill Closure and Post-Closure

The main components of the landfill closure plan are final capping using selected specific layers of earthen materials based on an engineered cap design, implementation of a drainage management plan and gas management plan. The post-closure care requirements will involve cap maintenance, groundwater monitoring, gas management system operation and maintenance, inspections and annual reports.

Note 15 (continued)

The estimated liability for this care is the present value of future cash flows associated with closure and post-closure costs discounted using the City's average long-term borrowing rate of 5.5%. The change in liability is recorded based on the capacity of the landfill used to date. The recorded liability is 11,053 (1999 – 10,217) based on a total estimated undiscounted outflow in the future of 32,200 (1999 – 32,200) leaving an amount to be recognized in the future of 21,147 (1999 – 21,983) over the closure and post-closure period. The liability is currently funded in the amount of 1,555 (1999 – 1,716) through a capital project in unexpended capital financing. The remainder of 9,498 (1999 – 8,501) is currently unfunded. The liability is expected to be funded through budget allocations to the landfill reserve over the remaining life of the landfill.

The estimated total capacity of the site is approximately 10.5 million tonnes, which translates to a remaining life of 10 to 12 years. Post-closure care is estimated to continue for a period of approximately 30 years.

16. Trust Funds

The City of Regina administers two trust funds: Perpetual Care Trust and the Williamson Driver Award. These trusts, amounting to 2,742 and 4 (1999 – 2,872 and 3), respectively have not been included in the Consolidated Statement of Financial Position nor have their operations been included in the Consolidated Statement of Financial Activities and Changes In Fund Balance. Details of these funds are published in the General Trust Fund Financial Statements.

17. Related Party Transactions

Accounts receivable include the following due from: The Elected Officials' Pension Plan 6 (1999 – 4); The Police Superannuation and Benefit Plan 497 (1999 – 581); The Civic Employees' Superannuation and Benefit Plan 492 (1999 – 587); The Regina Civic Employees' Long Term Disability Plan 129 (1999 – 139); The Chief of Police Pension Plan 9 (1999 – nil); The Buffalo Pound Water Administration Board 57 (1999 – nil).

Included in Fiscal Revenues are the following amounts: The Elected Officials' Pension Plan 6 (1999 – 4); The Police Superannuation and Benefit Plan 528 (1999 – 620); and the Civic Employees' Superannuation and Benefit Plan 744 (1999 – 606).

Included in Corporate Services is 14 (1999 – 17) paid to The Casual Employees' Superannuation Plan.

18. Commitments

The City is committed to the following rental payments for operating leases expiring in 2003 and 2007.

2001	151
2002	153
2003	155
2004	132
Thereafter	293
Total Lease Payments	884

Note 18 (continued)

The City is committed to future minimum capital lease payments under computer equipment, software and building contracts expiring from February 28, 2001 to December 31, 2014. The following is a schedule of future minimum lease payments under the capital leases together with the balance of the obligations under capital leases:

2001	995
2002	780
2003	388
2004	192
2005	211
Thereafter	2,024
Total Minimum Lease Payments	4,590
Less Amount Representing Interest at 9.25% and 5.5%	(1,475)
Balance of Obligations	3,115
Less Current Portion of Obligations	(742)
	2,373

19. Government Partnership

The Buffalo Pound Water Administration Board operates under an agreement between the Cities of Moose Jaw and Regina for the purpose of operating the headworks at Buffalo Pound Lake to supply water to the two cities at cost. Any distribution of surplus (recovery of deficit), in a particular fiscal year is shared between the cities according to their respective usage.

All amounts are proportionately consolidated within the consolidated financial statements at 73.25% (1999 – 73.06%) the rate of the City's interest in the government business partnership.

All transactions between the entities are eliminated upon proportionate consolidation.

The following is a schedule of a relevant financial information as stated within the financial statement of the Buffalo Pound Water Administration Board:

Buffalo Pound Water Administration Board
Condensed Statement of Financial Position
As at December 31, 2000
(in thousands of dollars)

	2000	1999
Financial Assets	1,401	1,381
Other Assets	51,552	51,089
	52,953	52,470
Financial Liabilities	1,178	1,080
Equity	51,775	51,390
	52,953	52,470

Note 19 (continued)

Buffalo Pound Water Administration Board
Condensed Statement of Financial Activities
For the Year Ended December 31, 2000
(in thousands of dollars)

	2000	1999
Revenue	5,542	5,465
Expenditures	5,668	5,395
Excess of Revenue over Expenditures	(126)	70
Other	126	(70)
Balance for the Year	-	-

The transactions between the City and the government business partnership as stated within the financial statements of the Buffalo Pound Water Administration Board are as follows:

	2000	1999
Financial Assets	343	332
Financial Liabilities	583	636
Revenue	4,647	4,585
Expenditures	498	390

20. Comparative Figures

Certain of the 1999 figures have been reclassified to conform to their 2000 financial statement presentation.

The comparative figures were reported on by another public accounting firm.

21. Operating Expenditures by Object

	2000	1999
Wages and Benefits	109,273	105,989
Transportation and Communication	2,915	4,509
Professional and Special Services	4,906	4,698
Utilities	10,765	10,859
Materials, Supplies and Other Goods	43,019	39,997
Transfer Payments	5,846	5,619
Finance Charges	7,340	13,217
Capital Expenditures	37,799	31,925
Total	221,863	216,813

Supplementary Schedule
For the Year Ended December 31, 2000
(in thousands of dollars)
Unaudited

General and Utility Operating Fund Financial Activities and Changes in Fund Balance

Budget 2000		2000	1999
	REVENUES		
96,517	Taxation Revenues	**94,713**	98,379
3,679	Licenses and Levies	**3,676**	3,608
6,636	Government Grants	**7,317**	6,575
18,544	Fees and Charges	**19,444**	19,853
30,109	Fiscal Revenues	**34,562**	31,999
1,951	Fines	**2,522**	1,923
44,673	Water and Sewer Utility	**43,584**	42,678
202,109		**205,818**	205,015
	EXPENDITURES		
2,088	Legislative Services	**2,217**	1,664
30,658	Corporate Services	**30,450**	28,863
54,424	Protective Services	**55,608**	53,511
29,864	Transportation Services	**28,821**	31,027
28,121	Community Services	**27,065**	27,400
4,380	Environmental Services	**3,253**	4,393
5,438	Planning and Development Services	**5,302**	4,900
31,692	Water and Sewer Utility	**31,378**	34,697
-	Other	**2,207**	-
186,665		**186,301**	186,455
15,444	Excess of Revenues Over Expenditures	**19,517**	18,560
(7,255)	Principal Repayment of Long Term Debt	**(7,255)**	(8,817)
(1,429)	Other Financial Charges	**2,642**	(1,605)
(8,684)		**(4,613)**	(10,422)
-	Fund Balance, Beginning of Year	**737**	2,266
2,561	Appropriation from Reserves	**3,675**	1,824
(9,552)	Appropriation to Reserves	**(18,957)**	(11,491)
(6,991)		**(14,545)**	(7,401)
(231)	Fund Balance, End of Year	**359**	737

City of Regina

General Trust Fund

Auditors' Report

To His Worship the Mayor and Members of City Council

We have audited the balance sheet of the General Trust Fund as at December 31, 2000 and the statement of revenue, expenditures and fund balance for the year then ended. These financial statements are the responsibility of the City's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in Canada. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the General Trust Fund as at December 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with accounting principles generally accepted in Canada.

Deloitte & Touche LLP

Regina, Canada,
May 5, 2001

Chartered Accountants

Balance Sheet

As at December 31, 2000
(in thousands of dollars)

	Perpetual Care Trust	Williamson Driver Award	Total 2000	Total 1999
Assets				
Current Assets				
Cash	22	-	22	31
Accrued Interest	45	-	45	55
	67	-	67	86
Long-Term Investments - Note 3	2,675	4	2,679	2,789
	2,742	4	2,746	2,875
Liabilities and Fund Balance				
Due to Other Funds	213	-	213	347
Fund Balance	2,529	4	2,533	2,528
	2,742	4	2,746	2,875

See accompanying notes.

Statement of Revenue, Expenditures and Fund Balance

For the Year Ended December 31, 2000
(in thousands of dollars)

	Perpetual Care Trust	Williamson Driver Award	Total 2000	Total 1999
Revenue				
Contributions	5	-	5	3
Investment Income	191	1	192	180
	196	1	197	183
Expenditures				
Refunds	-	-	-	1
Cemetery Maintenance	192	-	192	179
	192	-	192	180
Excess of Revenue over Expenditures	4	1	5	3
Fund Balance, Beginning of Year	2,525	3	2,528	2,525
Fund Balance, End of Year	2,529	4	2,533	2,528

Notes to Financial Statements

For the Year Ended December 31, 2000
(in thousands of dollars)

1. Purpose of Fund

The General Trust Fund holds two trusts as established by the City of Regina:

(a) Perpetual Care Trust - Established by the City of Regina under Section 19 of *The Cemeteries Act.* Funds received through the sale of cemetery plots are held in the trust and invested. Income earned on the investments is used to cover operating expenses incurred in the General Operating Fund of the City of Regina for perpetual care.

(b) Williamson Driver Award - Established under *The Trust Act.* A bond was bequeathed to the City and each year an award is made from the income to a Transit employee with a safe driving record.

2. Summary of Significant Accounting Policies

Investment revenue is recorded on the accrual basis.

3. Long-Term Investments

Investments which are recorded at amortized cost of 2,679 (1999 – 2,789) have a market value of 2,828 (1999 – 2,892).

City of Regina

Statistical Section

Assessment and Taxation Information

Mill Rates

	Municipal	Schools	Library	Total
1996	70.100	78.900	7.490	156.490
1997	17.603	19.813	1.880	39.296
1998	17.603	19.813	1.880	39.296
1999	17.937	20.189	1.916	40.042
2000	18.176	20.391	1.935	40.502

Taxable Assessment (in thousands of dollars)

	Property	Business	Total
1996	1,075,032	141,339	1,216,371
1997	4,716,224	496,394	5,212,618
1998	4,703,059	385,455	5,088,514
1999	4,804,994	195,249	5,000,243
2000	4,776,282	-	4,776,282

Note: In 2000, the business tax was eliminated. The tax was reduced in 1998 and 1999 prior to the elimination in 2000.

Property Taxes

Property taxes are calculated by applying a mill rate and mill rate factor to each property assessment. The mill rate and mill rate factor together are known as the tax rate.

Taxable Assessment	x	Mill Rate	x	Mill Rate Factor	=	Property Tax

Mill rate factors are established for each property class or subclass. Within the residential property class, the mill rate factors are 0.778 for condominiums, 1.270 for multi-family housing units and 0.882 for other residential properties. The Commercial/Industrial property class has a mill rate factor of 1.220 and Agricultural property class has a mill rate factor of 1.220.

Assessment and Taxation Information

Tax Levies and Collection (in thousands of dollars)

	1996	1997	1998	1999	2000
Municipal Tax Levy	85,268	87,342	87,991	88,313	85,429
School Boards Tax Levy	95,972	98,992	101,725	108,336	104,083
Library Tax Levy	9,111	9,394	9,653	10,283	9,878
Total Tax Levy	190,351	195,728	199,369	206,932	199,390
Tax Levy Per Capita	1,027	1,050	1,065	1,100	1,052
Tax Arrears at End of Year	12,091	12,920	10,890	10,599	7,847
Arrears as a % of Total Tax Levy	6.35%	6.60%	5.46%	5.12%	3.93%

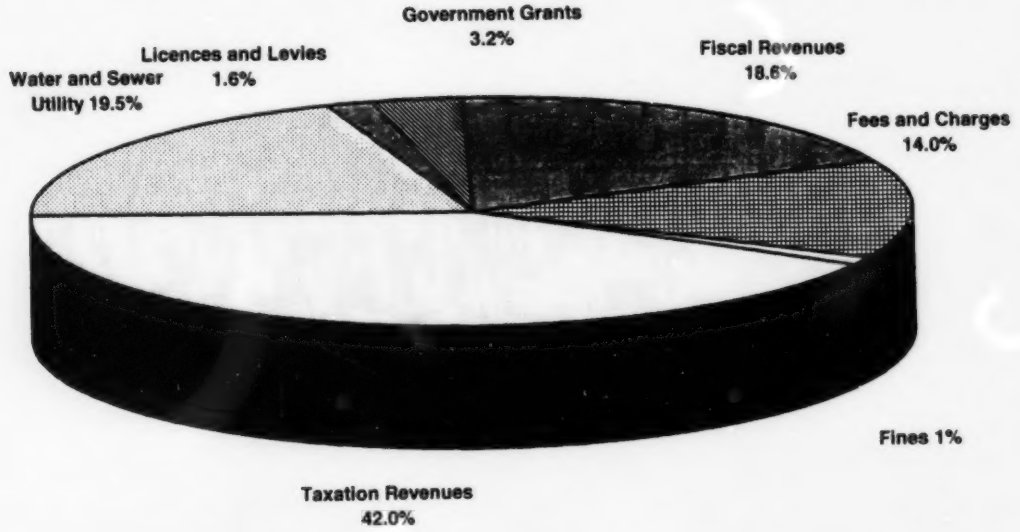
Major Property Taxpayers in Regina in 2000

	Registered Owner	Total Taxable Assessment (in thousands of dollars)
1.	The Cadillac Fairview Corporation Limited	60,549
2.	Consumer's Co-operative Refineries Limited	51,733
3.	Boardwalk Equities Inc.	51,206
4.	HDL Investments	47,900
5.	Ontrea Inc.	39,334
6.	Continental Saxon Holdings Limited	34,480
7.	Pyxis Real Estate Equities Inc.	28,077
8.	Saskatchewan Housing Corporation	26,717
9.	Imperial Oil Limited	14,021
10.	Regina Airport Authority	13,272
11.	Golden Mile G. P. Limited	12,492
12.	Gabriel Housing Corporation	11,131
13.	The Trust Company of Bank of Montreal	10,975
14.	The Bank of Nova Scotia	10,596
15.	Simpson Sears Limited	10,146

The list of major taxpayers does not include properties where grants or payments in lieu of property tax are paid.

Financial Information

2000 Revenue Distribution



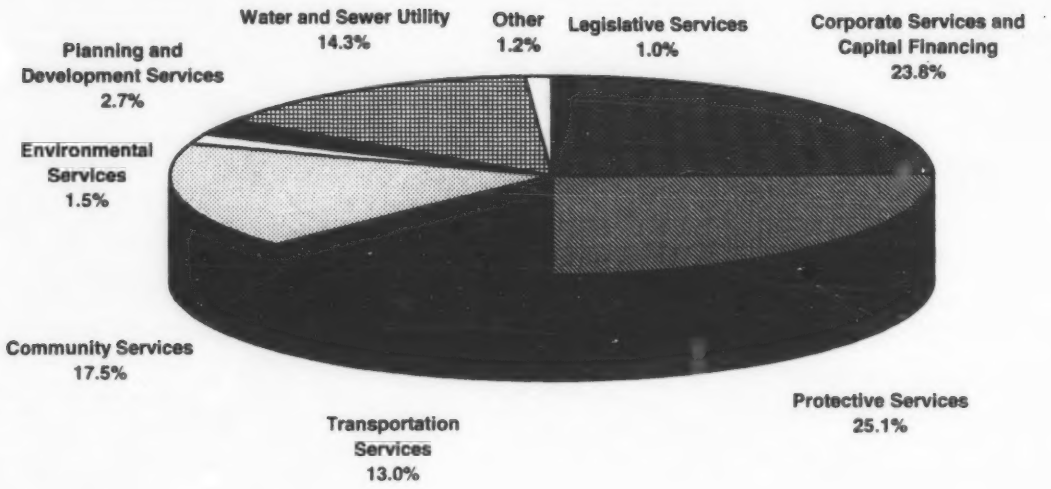
Revenue Summary (in thousands of dollars)

	1996	1997	1998	1999	2000
Taxation Revenues	91,727	95,089	96,607	98,379	94,713
Licences and Levies	3,443	3,496	3,975	3,608	3,676
Government Grants	11,386	5,542	5,614	6,575	7,317
Fees and Charges	17,621	29,975	31,522	32,141	31,522
Fiscal Revenues	28,209	33,135	36,469	41,911	41,927
Fines	2,459	1,874	2,025	1,923	2,522
Water and Sewer Utility	39,613	41,610	44,144	43,049	43,889
Total	194,458	210,721	220,356	227,586	225,566

Information for 1996 is not consolidated and 1997 does not include the consolidation of Buffalo Pound Water Administration Board, the government partnership. Information for 1998 to 2000 is from the consolidated financial statements.

Financial Information

2000 Expenditure Distribution



Expenditure Summary (in thousands of dollars)

	1996	1997	1998	1999	2000
Legislative Services	1,472	2,319	1,936	1,664	2,217
Corporate Services and Capital Financing	37,302	46,556	56,482	47,068	52,856
Protective Services	51,092	50,818	51,156	53,511	55,608
Transportation Services	35,026	28,716	28,272	29,678	28,821
Community Services	25,515	37,916	37,951	38,645	38,722
Environmental Services	4,411	4,034	4,215	4,393	3,253
Planning and Development Services	1,708	4,840	4,827	5,236	6,071
Water and Sewer Utility	30,587	33,951	33,183	34,143	31,637
Other	-	1,195	1,071	2,475	2,678
Total	187,113	210,345	219,093	216,813	221,863

Information for 1996 is not consolidated and 1997 does not include the consolidation of Buffalo Pound Water Administration Board, the government partnership. Information for 1998 to 2000 is from the consolidated financial statements.

Financial Information

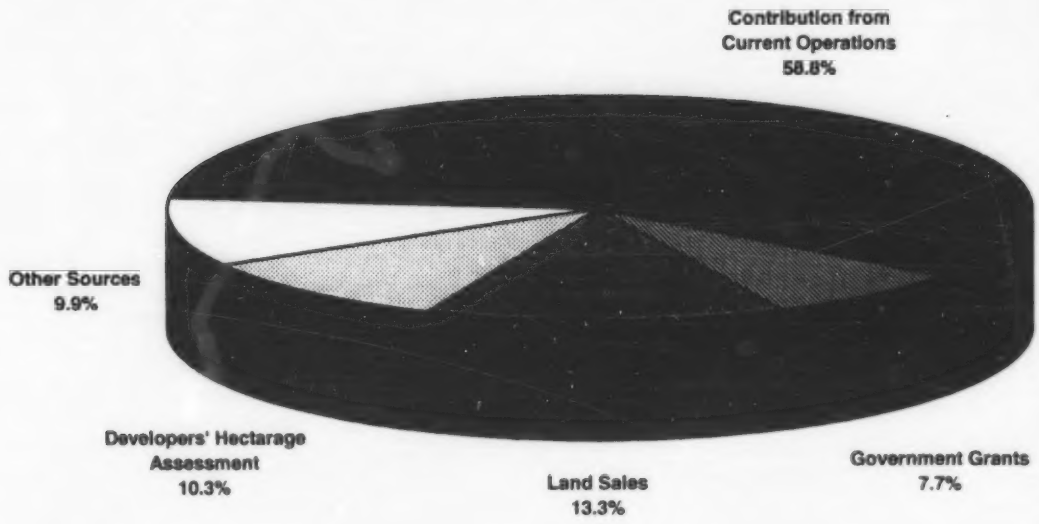
Operating Expenditures by Object (in thousands of dollars)

	1996	1997	1998	1999	2000
Wages and Benefits	93,255	94,323	101,561	105,989	109,273
Transportation and Communication	3,855	4,288	4,574	4,509	2,915
Professional and Special Services	4,090	3,906	4,382	4,698	4,906
Utilities	9,458	9,739	10,573	10,859	10,765
Materials, Supplies and Other Goods	36,966	36,351	37,689	39,997	43,019
Transfer Payments	7,358	6,159	5,987	5,619	5,846
Finance Charges	18,802	21,958	14,133	13,217	7,340
Capital Expenditures	13,329	13,660	40,194	31,925	37,799
Total	187,113	190,384	219,093	216,813	221,863

Information for the years 1996 and 1997 is not consolidated. Information for the years 1998 to 2000 is from the consolidated financial statements.

Financial Information

2000 Capital Funding Distribution

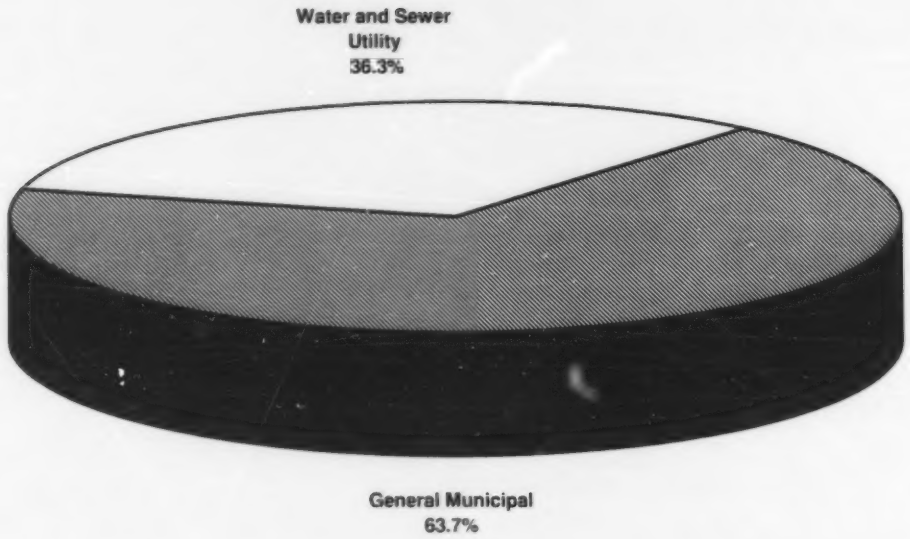


Capital Funding Summary (in thousands of dollars)

	1996	1997	1998	1999	2000
Government Grants	2,766	400	3,917	130	1,750
Land Sales	503	1,773	586	337	3,034
Developers' Hectarage Assessment	854	1,627	1,205	2,100	2,342
Contribution from Current Operations	13,476	13,983	13,710	12,437	13,382
Debt Issue	-	30,000	13,000	-	-
Other Sources	491	2,117	2,307	8,037	2,242
Total	18,090	49,900	34,725	23,041	22,750

Financial Information

2000 Capital Expenditure Distribution



Capital Expenditure Summary (in thousands of dollars)

	1996	1997	1998	1999	2000
General Municipal	20,591	26,408	20,066	21,422	23,743
Water and Sewer Utility	8,701	10,475	18,315	10,151	13,552
Total	29,292	36,883	38,381	31,573	37,295

Debt Information

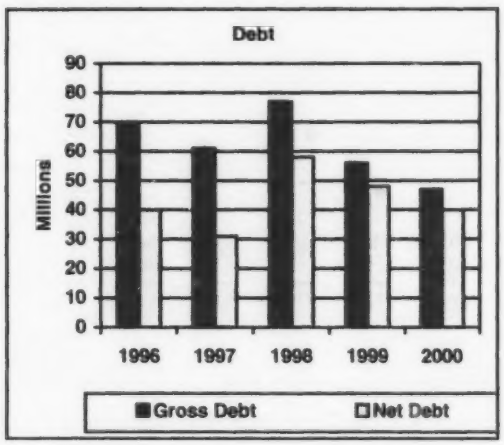
Debt at December 31, 2000 (in thousands of dollars)

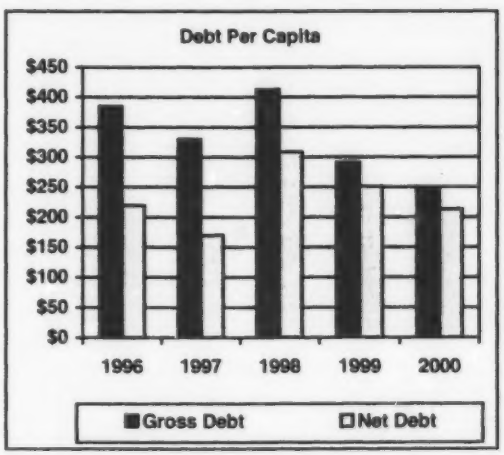
	Serial Debt	Sinking Fund Debt	Total Debt	Equity in Sinking Fund	Total Debt Net of Equity in Sinking Fund
General Municipal	-	4,912	4,912	4,548	364
Water and Sewer Utility	39,400	2,566	41,966	2,058	39,908
Total	39,400	7,478	46,878	6,606	40,272

The City of Regina's authorized debt limit is 94,000 (1999 – 94,000). The debt limit is approved by the Saskatchewan Municipal Board pursuant to the provisions of *The Urban Municipality Act, 1984*. Of this amount, 46,878 (1999 – 55,768) has been utilized at year-end.

The City of Regina does not have any overlapping debt from other municipalities.

All debt is issued in Canadian dollars.





Debt Information

Debt Service Costs (in thousands of dollars)

	1996	1997	1998	1999	2000
General Municipal Debt					
Principal	694	565	491	245	-
Interest	2,758	2,400	1,439	1,161	869
Sinking Fund Levies	865	849	566	406	296
	4,317	3,814	2,496	1,812	1,165
Water and Sewer Utility					
Principal	3,722	6,538	7,522	7,489	7,100
Interest	4,962	6,856	5,141	4,855	3,149
Sinking Fund Levies	1,266	1,254	956	920	86
	9,950	14,648	13,619	13,264	10,335
Total	14,267	18,462	16,115	15,076	11,500
Debt Service Costs as a Per Cent of Total Expenditures	7.5%	9.7%	8.5%	7.7%	5.9%
Debt Service Costs as a Per Cent of Total Revenues	7.2%	9.5%	8.1%	7.4%	5.5%

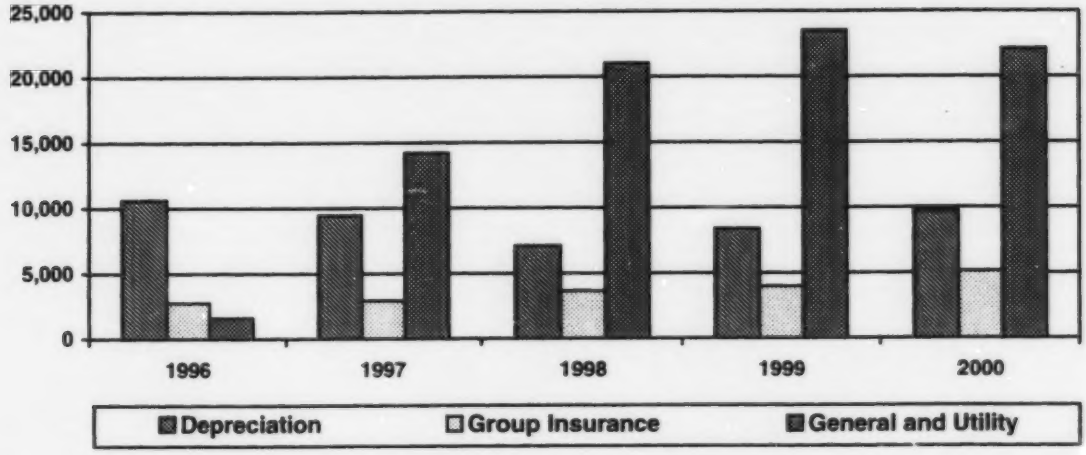
Interest costs paid on City of Regina debt held by the Sinking Fund have not been eliminated.

Analysis of Debt (in thousands of dollars)

	1996	1997	1998	1999	2000
Total Debt Outstanding (Beginning of Year)	68,499	63,280	77,096	77,459	55,768
Debt Issued During Year	-	30,000	13,000	-	-
Debt Maturities During Year	5,219	16,184	12,637	21,691	8,890
Total Debt Outstanding (End of Year)	63,280	77,096	77,459	55,768	46,878
General Municipal Debt Outstanding (End of Year)					
- City of Regina's Share	17,768	11,616	8,217	4,790	3,709
- Property Owner's Share (Local Improvements)	2,596	2,513	2,389	1,912	1,203
	20,364	14,129	10,606	6,702	4,912
Water and Sewer Utility Debt Outstanding (End of Year)					
- City of Regina's Share	42,173	62,349	66,408	48,899	41,799
- Property Owner's Share (Local Improvements)	743	618	445	167	167
	42,916	62,967	66,853	49,066	41,966
Total Debt Outstanding	63,280	77,096	77,459	55,768	46,878

Reserve Information

Reserves for Future Expenditures (in thousands of dollars)



	Depreciation Reserves	Group Insurance Reserves	General and Utility Reserves	Total
1996	10,607	2,754	1,588	14,949
1997	9,440	2,923	14,216	26,579
1998	7,113	3,639	21,033	31,785
1999	8,383	3,963	23,518	35,864
2000	9,738	5,118	22,119	36,975

Demographic and Economic Information

	1996	1997	1998	1999	2000
Population	185,400	186,327	187,259	188,194	189,400
Building Permits					
Number	1,350	1,462	1,491	1,472	1,462
Value ($000's)	118,787	154,200	139,500	161,680	113,332
Urban Dwelling Starts					
Regina	304	524	639	530	470
Inflation Rate (%)					
Regina	1.8	1.4	1.7	1.8	2.6
Saskatchewan	1.8	1.3	1.4	1.9	2.6
Canada	1.6	1.6	0.9	1.7	2.7
Unemployment Rate (%)					
Regina	6.3	6.3	5.0	5.4	4.9
Saskatchewan	6.6	5.9	5.7	6.1	5.2
Canada	8.3	7.2	5.0	5.8	6.8
Average Selling Price of Homes					
Regina	76,590	82,643	85,425	90,181	94,518
Saskatchewan	77,478	83,636	87,577	91,396	94,047
Canada	153,846	155,900	152,364	158,030	164,091

Sources: City of Regina, Canadian Real Estate Association and Sask Trends Monitor.

City of Regina Personnel

	1996	1997	1998	1999	2000
Total Staff - Full-Time Equivalents (Permanent and Casual)	2,181	2,155	2,168	2,175	2,195
Increase (Decrease) from Previous Year	(5)	(26)	13	7	20

Related Boards and Authorities

Regina Pioneer Village
430 Pioneer Drive
Regina, Saskatchewan S4T 6T8
Fax: (306) 757-5001
Phone: (306) 751-5225
Contact: Mr. Dick Chinn

Regina's Market Square
206, 2314 – 11th Avenue
Regina, Saskatchewan S4P 0K1
Fax: (306) 359-9060
Phone: (306) 359-7541
Contact: Mr. John Hopkins

Regina Regional Economic Development Authority (RREDA)
255, 1919 Rose Street
Regina, Saskatchewan S4P 3P1
Fax: (306) 352-1630
Phone: (306) 522-0227
Contact: Mr. Marty Klyne

Regina Public Library
2311 – 12th Avenue
P.O. Box 2311
Regina, Saskatchewan S4P 3Z5
Fax: (306) 352-5550
Phone: (306) 777-6060
Contact: Ms. Colleen Schommer

Buffalo Pound Water Administration Board
c/o City of Regina
Queen Elizabeth II Court
P.O. Box 1790
Regina, Saskatchewan S4P 3C8
Fax: (306) 777-6806
Phone: (306) 777-7411
Contact: Mr. David Calam